



Brownfields Cleanup Revolving Loan Fund Pilot

New Mexico Environment Department

BACKGROUND

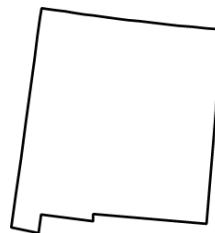
New Mexico is a large state with a relatively small population (1.8 million). Almost half of the state's residents live in small towns and rural areas. Urban areas in the state have a poverty rate that is close to the national average, but many of New Mexico's rural counties have poverty rates approaching 35%. The state ranks 48th in average per capita income. Historically, the state's economy depended heavily on mining, oil and gas production, and agriculture. High tech industries are now being attracted to urban areas in the state, largely due to the presence of Sandia and Los Alamos National Laboratories. However, many small towns in New Mexico were built around a major industrial facility that subsequently closed, leaving contaminated property and unemployment.

Rural and small municipal brownfields redevelopment projects are often overlooked by private developers in favor of more lucrative projects in larger urban settings. The New Mexico Environment Department (NMED) operates the state's Voluntary Cleanup Program (VCP) and there are five Brownfields Assessment Demonstration Pilots in the state. One of these pilots, the City of Deming, has performed an assessment of its Peru Hill Mill site and is now considering a BCRLF loan for cleanup. Deming is typical of the small communities in the state that are economically distressed in large part due to the presence of brownfields. The New Mexico Environment Department is committed to using Deming as an example of what can be achieved in a small community when the appropriate resources are made available.

BCRLF OBJECTIVES

The goal of New Mexico's BCRLF Pilot is to provide small municipalities with the necessary capital to clean up contaminated properties and encourage appropriate

PILOT SNAPSHOT



State of New Mexico

Date of Announcement:
May 2002

Amount: \$1,000,000

BCRLF Target Area:
Sites throughout the State of New Mexico, with emphasis on small towns and rural areas

Contacts:

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Visit the EPA Region 6 Brownfields web site at:
<http://www.epa.gov/earth1r6/6sf/bfpages/sfbfhome.htm>

For further information, including specific Pilot contacts, additional Pilot information, brownfields news and events, and publications and links, visit the EPA Brownfields web site at:
www.epa.gov/brownfields

redevelopment to benefit the community. Because of its rural nature, most of the interest in brownfields in the state is from municipalities. Many brownfields in smaller communities are reused for parks, community centers, or recreation. BCRLF funding will provide valuable cleanup dollars and incentives for private investment in the many small communities of the state.

Properties throughout the state will be eligible for BCRLF loans. Priority will be given to underserved and economically challenged areas in the state. Projects will be selected based on the public benefits of potential projects. The BCRLF Pilot will assist municipalities develop partnerships with the private sector.

FUND STRUCTURE AND OPERATIONS

The New Mexico Environment Department is the cooperative agreement recipient and will serve as the lead agency and site manager. The Construction Programs Bureau of the New Mexico Environment Department will serve as the fund manager.

LEVERAGING OTHER RESOURCES

Low-interest loans available from the Clean Water State Revolving Loan Fund are available for brownfields site cleanups if a site is contributing to water pollution. Other potential sources of funds include U.S. Economic Development Administration grants, U.S. Department of Housing and Urban Development Brownfields Economic Development grants, and U.S. Army Corps of Engineers in-kind services. BCRLF funds will be used to stimulate additional private funding for brownfields cleanup and redevelopment.

Use of BCRLF Pilot funds must be in accordance with CERCLA, and all CERCLA restrictions on use of funding also apply to BCRLF funds.